



2001 VERMONT TAX STATISTICS

A Summary of

- PERSONAL INCOME TAX RETURNS
- FAMILY INCOME STATISTICS
- SCHOOL PROPERTY TAX ADJUSTMENTS
- HOMEOWNER REBATES
- RENTER REBATES

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2001 VERMONT TAX STATISTICS

A Summary of Calendar Year 2001 Income Tax Returns and Property Tax Adjustment Claims Filed in 2002

Personal Income Tax Returns

State Totals	Page
Summary of number of returns by income class	1
Summary of income, tax and credits by adjusted gross income class	2
Summary of income, tax and credits by taxable income class	3
Distribution of income tax refunds by income class and refund range	4
Distribution of age 65 and over returns by income class	5
County Totals	
Summary of numbers of returns	6
Summary of amount of income, tax and credits	7
Distribution of returns by income class	8
Summary of age 65 and over returns	12
Distribution of age 65 and over returns by income class	13
Town Totals	
Summary of numbers of returns	17
Summary of amount of income, tax and credits	24
Distribution of returns by income class	33
Family Income Statistics by State, County, Town	99
<i>School Property Tax Adjustments by income class</i>	110
<i>Homeowner Rebates by income class</i>	119
<i>Renter Rebates by income class</i>	124
 <i><u>2002</u> School Property Tax Adjustments by income class</i>	 129

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Source data is information provided on individual tax returns. Adjusted gross income (AGI), filing status, exemptions and reporting town are informational and not used to compute tax liability. Checks were made to assure reasonableness of this information, especially for high values of AGI, but not all returns were examined. For returns with missing AGI values and non-zero taxable income values, AGI was imputed using information from other returns. Caution should be exercised when using this data to make inferences about small jurisdictions.

Definitions for individual data items follow, associated with the report page where they first appear. The definition is the same on all following reports unless otherwise noted.

Page 1: Return Counts

AGI Income Class: The Adjusted Gross Income (AGI) range for the return.

Returns: The number of returns filed for the income class.

Refunds: The number of refunds issued for the income class.

Exempt: The number of exemptions claimed on returns filed within the income class.

Married Joint, Single, Married Separate, Head of Household, Civil Union Joint, Civil Union

Separate: The filing status¹ of the return. For reporting below the state level, civil union designations are included with married joint or married separate categories.

Other State Credits: The number of taxpayers claiming a credit for taxes paid to another state.

Vermont Credits: The number of taxpayers claiming Vermont special tax credits.

Withheld: The number of taxpayers taking credit on their return for Vermont withholding tax.

Estimated: The number of taxpayers taking credit on their return for Vermont estimated tax payments, real estate withholding or non-resident shareholder withholding.

Adjusted Tax: The number of taxpayers reducing their Vermont tax by using the adjustment schedule to exclude income not subject to Vermont tax.

No Tax: The number of taxpayers who had no income tax liability after reducing their Adjusted Tax by Vermont special credits and credit from other states.

Earned Income Credit: The number of Vermont earned income tax credits.

Page 2: Return Dollars

AGI Income Class: The Adjusted Gross Income (AGI) range for the return.

Adjusted Gross Income: The total Federal Adjusted Gross Income² reported on all tax returns for the income class.

Adjusted Vermont Tax: Line 4 of the Vermont Income Tax return (Line 2 multiplied by the income adjustment percent on Line 3).

Other State Credits: The dollar amount of credit for taxes paid to another state or province.

Vermont Credits: The dollar amount for Vermont special tax credits.

Net Vermont Tax: Adjusted Vermont Tax reduced by Vermont non-refundable tax credits.

Earned Income Credit: The dollar amount of Vermont earned income tax credit³.

Page 3: Taxable Income Summary

Taxable Income Class: The Taxable Income range for the return.

Taxable Income: The total Taxable Income reported on tax returns for an income class.

Page 7: County Summary - Dollars

Average AGI per Exemption: The \$150,000 Cap AGI (sum of the adjusted gross income, limited to the first \$150,000 - per VSA Title 16, §3480 - on any return for all returns filed) divided by the number of exemptions. This is an estimate of per-capita income.

Page 8: County Distribution by Income Class

Income: The total Federal Adjusted Gross Income reported on all tax returns for the income class.

VT Tax: Adjusted Vermont Tax reduced by Vermont non-refundable tax credits.

Page 99: Family Income Statistics

Returns: The number of returns with Married Joint (MJ) or Head of Household (HH) filing status. This group provides an estimate of household or family income.

Median AGI per Return: The adjusted gross income amount that falls in the middle of a range of adjusted gross income amounts reported when the amounts are arranged in order of magnitude.

Returns Under 75,000: The number of MJ/HH returns with AGI under \$75,000.

Percent Under 75,000: The percent of MJ/HH returns with AGI under \$75,000.

Please note that this estimate of family income comes only from tax returns and thus does not measure income of households not required to file a tax return. A household income of \$75,000 is approximately the breakpoint for eligibility for Act 60 school property tax adjustments. While not a perfect measure, it has been used in the past to estimate what proportion of a community would be eligible for school property tax relief.

Page 110: School Property Tax Adjustments Distribution by Income Class

Household Income Class: The Household Income range for the return. This column also contains a breakdown of the three ways that the Act 60 adjustment could be computed:

- Homestead (HS) Exemption or HEV includes those homeowners who qualified under the Homestead Exclusion method, where the adjustment is based on the first \$15,000 of homestead value.
- Income or HIP includes those homeowners who qualified under the Household Income method, where the adjustment is based on a maximum percentage of household income payable for school property taxes.
- For homeowners with household incomes between \$75,001 and \$88,800, a third method was used which capped the allowable homestead property tax at the amount on the first \$160,000 of homestead value, then applied a second test on maximum percentage of household income.

Number of Applications: Total number of valid claims reported for taxable year.

Average Household Income: Average of Household Income as reported on Line t of Form HI-144. Household Income if the total taxable and nontaxable income reported by the taxpayer and individuals who resided with the taxpayer at any time during the taxable year. Household income does not include gifts, government aid, the first \$4,000 of dependent parent or student earned income, social security tax withheld or paid, child support payments or income received from state for foster care or support of a developmentally disabled person. For a complete definition of Household Income refer to VSA Title 32, §6061.

Median Equalized Homestead Value: Median value of homestead plus two acres after application of the town common level of appraisal.

Homestead School Tax (State and Local): Average amount of homestead school property taxes broken out by state and local share.

Adjusted Homestead School Tax (State and Local): Average amount of maximum homestead school taxes to be paid by homeowners after adjusting for Act 60 provisions, broken down by state and local share.

Reduction in Homestead School Tax: The average and total amount of state and local tax reduction - the difference between total homestead school property taxes and the adjusted homestead school tax.

Percent School Tax Relieved: Total tax adjustment divided by total homestead school taxes.

Page 119: Homeowner Rebates Distribution by Income Class

Homestead School Tax (Total and Adjusted): Average amount of homestead school property tax (state and local) before and after application of income sensitivity. The difference between these two values was already an adjustment under the Act 60 School Property Tax Adjustment. The adjusted school taxes plus municipal tax forms the basis for computation of taxes eligible for the homeowner rebate.

Average Rebate Eligible Taxes: Average amount of municipal and total municipal plus adjusted school taxes. Total taxes will generally be the sum of adjusted school tax and municipal tax, but for mobile home lot renters will also contain an allocable amount of the lot rent for taxes.

Average Homeowner Rebate: Average amount of rebate.

Total Homeowner Rebate: Total amount of homeowner rebate.

Percent Tax Relieved (School Tax): Total of Act 60 adjustment divided by total homestead school taxes.

Percent Tax Relieved (Remaining Taxes): Total rebate divided by total eligible municipal and adjusted homestead school taxes.

Page 124: Renter Rebates Distribution by Income Class

Average Allowable Rent for Taxes: Allocable property tax paid on the rental unit during taxable year as reported on Line 1 of Form PR-141, Vermont Renter Rebate Claim. This is 21 percent of total rent paid during the calendar year, or the allocable property tax portion of the rent if higher.

Average Renter Rebate: Total Renter Rebate amount divided by number of total valid applications.

Total Renter Rebate: Total Renter rebate as calculated for Line 7 on Form PR-141, Vermont Homeowner or Renter Rebate Claim.

Percent Equivalent Tax Relieved: Total renter rebate divided by total allocable taxes.

Page 129: 2002 School Property Tax Adjustments Distribution by Income Class

Beginning in 2002, taxpayers applied for a "good check" to help pay 2002/2003 school property taxes. This section summarizes Act 60 adjustments paid starting in July 2002.

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¹ Filing status of Qualifying Widow(er) is included with Married Joint.

² All income totals shown include the loss amount, so are not directly comparable to previous years. The amount of losses can easily be backed out of totals as needed.

³ The rate of computation for this credit was increased effective with the 2000 tax year from 25% to 32% of the federal earned income tax credit amount.